



30th June 2017

**LANDMARK  
SPINNING INDUSTRIES  
LIMITED**

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## Corporate Information

### Board of Directors

**Chairman** : Mr. Nizam A. Hashwani

**Chief Executive** : Mr. Amin A. Hashwani

**Directors** : Mr. Abdullah A. Hashwani

Syed Raza Abbas Jafferri

Mrs. Sultana A. Hashwani

Mr. Anwer Ali

Mrs. Shahrina Hashwani

**Audit Committee** : Mrs. Shahrina Hashwani - Chairperson

Mr. Anwer Ali

Mr. Abdullah A. Hashwani

**HR Remuneration Committee** : Mr. Anwer Ali - Chairman

Mr. Abdullah A. Hashwani

Mrs. Shahrina Hashwani

### Chief Financial Officer &

**Company Secretary** : Mr. Yousuf Noorani

**Auditors** : Feroze Sharif Tariq & Co.

Chartered Accountants

**Bankers** : Habib Metropolitan Bank Ltd.

**Registered Office** : 1st Floor, Cotton Exchange Building,

I.I. Chundrigar Road,

Karachi.

**Share Registration Office** : F.D. Registrar Services SMC (Pvt.) Ltd.

1705,17th Floor, Saima Trade Tower A,

I.I. Chundrigar Road, Karachi.

## **VISION STATEMENTS**

**TO BE THE LEADER IN TEXTILE INDUSTRY BUILDING THE COMPANY IMAGE THROUGH QUALITY, COMPETITIVE PRICES, CUSTOMERS SATISFACTION AND MEETING SOCIAL OBLIGATION.**

## **THE MISSION STATEMENT**

- **To effect high value, economical and qualitative solutions to address the textile needs of a diverse range of customers.**
- **To seek long-term and good relations with our suppliers and customers satisfaction.**
- **To be totally customer oriented company and to achieve total customer satisfaction.**
- **To create a working environment, which motivates, recognizes and rewards achievements at all levels of the organization.**
- **To be contributing cooperative citizen for the betterment of society, and exhibit a socially responsible behaviors.**
- **To conduct business with integrity and strive to be the best.**

# LANDMARK SPINNING INDUSTRIES LIMITED

## NOTICE OF 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of Landmark Spinning Industries Limited will be held on Saturday, October 28, 2017 at the registered office of the company at 1st floor, Cotton Exchange Building, I. I. Chundrigar Road, Karachi at 03.00 pm to transact the following businesses:-

### ORDINARY BUSINESS:

- 1- To confirm the minutes of the 25th Annual General Meeting held on October 27, 2016.
- 2- To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors' and Auditors' reports thereon for the year ended June 30, 2017.
- 3- To appoint Auditors' of the Company for the financial year ending June 30, 2018 and to fix their remuneration. The retiring auditors M/s Feroz Sharif Tariq & Company, Chartered Accountants, being eligible, offer themselves for appointment as auditor:-

### SPECIAL BUSINESS:

- 4- To consider and, if deem fit, to pass with or without any amendment/ modification following resolution as ordinary resolution:

RESOLVED THAT dissemination of Annual Audited Accounts to the shareholders in soft form i.e. through CD/DVD/USB as notified by Securities Exchange Commission of Pakistan vide its SRO No. 470(I)/2016 dated May 31, 2016, be and is hereby approved.

5. To consider, and if thought fit, to pass the following Resolution as Special Resolution to amend the Articles of Association of the Company by inserting a new clause numbering 59A to introduce E-Voting as prescribed by Securities & Exchange Commission of Pakistan:

"RESOLVED THAT the Articles of Association of Landmark Spinning Industries Limited be and is hereby amended as under:-

To insert the following new clause No. 59A:

59A) Any member desiring to appoint an intermediary, as defined in "Companies (E-Voting) Regulations, 2016," as may be amended from time to time, shall inform Company Secretary at least 10 days before the holding of Annual General Meeting or Extraordinary General Meeting of Shareholders of the Company intimating about his decision to appoint an intermediary to vote at a poll."

"ALSO RESOLVED THAT the Chief Executive and / or Company Secretary be and are hereby authorized to complete any or all necessary required formalities in respect of the above."

### ANY OTHER BUSINESS:

6- To transact any other business with the permission of the chair.  
Statements under Section 134(3) of the Companies Act 2017 in respect of the special business of the Agenda at item numbers 4 to 5 to be considered at the meeting is being sent to the Members along with a copy of this notice.

By Order of the Board

Yousuf Noorani  
Company Secretary

Karachi 05th, October 2017

Note:

1. The Share Transfer Books of the Company will remain closed from October 21, 2017 to October 28, 2017 (both days inclusive). Transfer received at the registered office of the company / by our Share Registrar, F.D. Registrar Services (SMC-PVT) Ltd 1705, 17TH Floor, Saima Trade center Tower A-11, Chundrigar Road, Karachi. by the close of business on October 20, 2017 will be treated in time for this purpose.

**NOTICE OF 26TH ANNUAL GENERAL MEETING**

2. Appointment of Proxies and Attending AGM:
  - i) A member eligible to attend and vote at the Meeting may appoint another member as his/her proxy to attend, and vote instead of him/her.
  - ii) A blank instrument of proxy applicable for the meeting is being provided with the notice sent to members. Further copies of the instrument of proxy may be obtained from the registered office of the Company during normal office hours.
  - iii) A duly completed instrument of proxy and the power of attorney or other authority (if any), under which it is signed or a notarized certified copy of such power or authority must, to be valid, be deposited at the registered office not less than 48 hours before the time of the meeting. Attested copies of valid CNIC or the passport of the member and the Proxy shall be furnished with the Proxy Form.
  - iv) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted with proxy form.
  - v) The owners of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their original Computerized National Identity Card (CNIC) or Passport (in case of foreign nationals) for identification purpose at the time of attending the meeting.
3. Members are requested to notify any changes in their addresses immediately to the Share Registrar M/s F.D. Registrar Services (SMC-Pvt.) Ltd.
4. Members, who have not yet submitted attested photocopy of their valid CNIC along with folio number are requested to send the same, at the earliest, directly to the Company's Share Registrar.
5. The Annual Report of the Company for the year ended June 30, 2017 has been placed on the Company's website at the link: <http://www.landmarkspinning.com>
6. Members who desire to receive annual financial statements and notice of meeting for the financial year ending June 30, 2017 or onward through e-mail, instead of registered post/courier, are requested to submit their consent on the FORM available for the purpose on Company's website.

**STATEMENT OF MATERIAL FACTS U/S 134(3) OF THE COMPANIES ACT, 2017**

This statement sets out the material facts concerning the special Business, given in Agenda Item No.4 & 5 of the Notice, to be transacted at the twenty Sixth (26th) Annual General Meeting of the Landmark Spinning Industries Limited to be held on October 28, 2017.

**Agenda Item No. 4****Dissemination of Annual Audited Accounts through CD/DVD/USB**

The Securities and Exchange Commission of Pakistan (SECP) has issued SRO No. 470(I)/2016 dated May 31, 2016 which has allowed companies to circulate its Annual Audited Accounts (i.e. the annual balance sheet and profit and loss account, auditor's report and director's report) to its members through CD/DVD/USB at their registered addresses instead of transmitting them in hard copies, subject to approval obtained from shareholders in General Meeting. Accordingly, approval is hereby sought from shareholders to comply with the requirements of said SRO vide an ordinary resolution. Subject to the approval of resolution in the AGM, the company will circulate its annual accounts in future through CD/DVD/USB. However, the shareholders will have the right to request hard copies free of cost at their registered addresses after submitting the Standard Request Form which shall be made available on Company website. While shareholders who wish to receive hard copies for all future annual audited accounts shall also require to give their preference in writing. Furthermore, in terms of SRO 787(I)/2014 dated September 08, 2014, the company will continue to provide Annual Audited Accounts through email to those shareholders who shall opt this mode. Any changes to such arrangements should be communicated to the company on standard request form. The directors have no direct or indirect interest in this agenda.

**Agenda Item 5****E-voting:**

To give effect to the Companies (E-Voting) Regulation 2016, shareholders' approval is being sought to amend the Articles of Association of the Company to enable e-voting. The directors have no direct or indirect interest in this agenda.

## **CHAIRMAN'S REVIEW**

I present to you the 26th Annual Report of the performance of the company for the year ended June 30, 2017.

This year again your company could not start operational activity, impacting our bottom line adversely. The management is aware of the challenges and continues its efforts to secure proper finance that will be required for this. The Government if it commits to its plan to bring the Country out of the energy crisis then this will give rise to opening of our operation and provide ample opportunity for the company's growth.

The year 2016 - 2017 depicted a positive trend for Pakistan with improvement in the security environment, low inflation and expected investment from China in the Country. S&P and Moody also upgraded Pakistan's credit rating from stable to positive, mainly due to reduction in oil prices and also in food prices, the inflation is continuing on its downward trajectory. State Bank of Pakistan has reduced the interest rate which will give a boost to the investment climate. However, fundamental reforms will be needed to fully overcome Pakistan's chronic energy crisis. While the IMF program and the easing of inflation has provided some relief, the Government still faces challenges in narrowing the fiscal deficit and building sustainable foreign currency inflows.

The SECP is continuously implementing regulatory changes to further regulate the industry.

The management has also started to focus on restructuring plan and changed its strategy, which when implemented will give positive results.

I would like to thank company's valued customers, suppliers and shareholders for their continued trust and appreciate the efforts of all employees for working in difficult conditions.

For and on behalf of the Board of Directors

**Nizam A. Hashwani**  
Chairman

Karachi: October 05, 2017

## DIRECTORS' REPORT

The Directors of your Company are pleased to present the 26th Annual Report together with Auditor's Report and the Audited Financial Statements for the year ended June 30, 2017.

### Financial Highlights

The comparative financial highlights of your Company for the year ended June 30, 2017 and June 30, 2016 are as follows:

	2017	2016
Depreciation	20,911,740	23,223,093
Machine Mentenance	1,525,481	0
Administrative & General Expenses	3,750,361	1,295,472
Financial Cost	1,093	1,662
Un winding Discount -on associated- & Related party Loans-Reversal	14,052,958	12,755,085
(Loss) Before Taxation	40,241,633	37,275,312
Deffered taxation	2,626,436	3,009,958
(Loss) After Taxation	37,615,197	34,265,354
Loss per Share - Basic	(3.10)	(2.83)

Your company having no operational activity has sustained a net loss after tax of Rs.37,615,197, for the year ended June 30, 2017, as per details are given above.

The management now stands ready to restart the mill after a long gap in due course of time as soon as the power situation improves. There are good hopes that the power crises will be overcome in the coming months by the government and especially with the setup of the LPG infrastructure and long term deals with the Middle East governments for steady supplies secured. We have been revamping the plant and machineries in addition to routine maintenance to prepare us for production. The textile industry has been lately facing problems due to cotton crop shortages, stiff competition, and low international prices. There is hope that the situation will improve with export rebates and refund of amounts held by the government. We have plans to restart the mills irrespective of the seasonal fluctuations experienced by the industry as we have taken a long time view and we look forward to a steady and a prosperous future in the years to come. Insha Allah. In this reference a short related note has already been mentioned in note number 11.1 in financial statement for the year ended 30th June 2017.

In view of the losses and need of the liquid funds for working capital, the Directors have not recommended any dividend to the Share holders for the year ended June 30, 2017.

### Earnings per Share

Earnings per share for the year ended June 30, 2017 is Rs.(3.10) [June 30, 2016 Rs.(2.83)].

### Material Changes

There have been no material changes since June 30, 2017 and the Company has not entered into any commitments which would affect its financial position on that date.

The presentation of "Loan from Directors and Associated and Related Parties" is being made in this financial year in accordance with the Internal Accounting Standards 39.

As per decision of the Board in this financial year the Property, Plant and Equipment's have been revalued.

The Auditors' observation as mentioned under para(a) of their report for the existence of material uncertainty and doubt on Going Concern, it is clarified that such observations for this company over the years have not aroused any event or instance at all as the Board of your company has been trying with utmost efforts by putting funds from their own resources to run the company in future and in order to utilize precious investment substantially injected by the Sponsors and the management is confident that the outcome will be positive. The Management is considering the company is as a Going Concern unit while considering its Accounting and IAS, IFRS, Companies Ordinance matters which were disclosed in our Audited Accounts with all facts and figures have been declared to meet the IAS, IFRS and Companies Ordinance disclosing requirements in our accounts.

### Human Resource developments

We invest in cultivating and motivating our employees and train them to face market challenges effectively. We provide necessary on job training to employees so that they acquire knowledge and skills needed to accomplish their tasks efficiently. Department Heads impart training to employees / officers

### Corporate Social Responsibility

Landmark Spinning Industries Limited is fully committed to play its role as a responsible corporate citizen and fulfills its responsibility through energy conservation, environment protection and occupational safety and health through restricting unnecessary usage of artificial lighting, implementing tobacco control law and "No Smoking Zone", and providing a safe and healthy work environment. During the year the company supported community by distributing the poor people sadaqa.

### External Audit

The auditors M/s. Feroze Sharif Tariq & Co. Chartered Accountants retire at the conclusion of the Annual General Meeting. Being eligible, they have offered themselves for re-appointment. The Board on the recommendation of the

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Audit Committee has proposed their re-appointment.

## Internal Audit

The Company's Board closely follows the activities of the Internal Audit Department as a service to all levels of Management. The main objective of the independent Internal Audit Department is to provide reasonable assurance to the Board and Management that the existing systems of internal control are adequate and operating satisfactorily. As an Internal Audit Department adds value to the Company's operations, makes suggestions and recommendations for improved operational performance.

## Statement of Corporate and Financial Reporting Framework

The corporate laws, rules and regulations framed thereunder spell out the overall functions of the Board of Directors of the Company. The Board is fully aware of its corporate responsibilities envisaged under the Code of Corporate Governance, prescribed by the Securities and Exchange Commission of Pakistan and adopted by the Stock Exchanges for all listed companies, and is pleased to certify that:

1. The financial statements, prepared by the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
2. The Company has maintained proper books of accounts as required under the Companies Ordinance 1984.
3. The Company has followed consistently appropriate accounting policies in preparation of the financial statements. Changes wherever made, have been adequately disclosed and accounting estimates are on the basis of prudent and reasonable judgment
4. Approved Accounting Standards as applicable in Pakistan have been followed in preparation of financial statements and any departure therefrom, if any, has been adequately disclosed.
5. The system of internal control is sound in design and has been effectively implemented and monitored. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve objectives, and by its nature can provide only reasonable, and not absolute, assurance against material misstatement or loss. The process used by the Board to review the effectiveness of the system of internal control includes, inter-alia, the following:

" A Board Audit Committee (BAC) is in place. It reviews the approach adopted by the Company's internal audit department and the scope of and the relationship with, the external auditors. It also receives reports from the internal audit department and the external auditors on the system of internal control and any material weaknesses that have been identified. Further, the BAC discusses the actions to be taken in areas of concern with the relevant executives. The BAC consists of three members. The Chairman of the BAC is an independent director and all the other members of the BAC are Non-executivedirectors. During the year 2017, four meetings of BAC were held with one in each quarter and attendance was as follows

Names of Directors	No. of Meetings Attended
1. Mrs. Shahrina Hashwani (Chairman)	(4)
2. Mr. Abdullah A. Hashwani	(4)
3. Mr. Nizam A. Hashwani	(3)
4. Mr. Anwer Ali	(1)

Leave of absence was granted to the members unable to attend the meeting.

" An organizational structure has been established, which supports clear lines of communication and tiered levels of authority with delegation of responsibility and accountability.

" There is an annual budgeting and strategic planning process. Financial forecasts are prepared and these strategies are reviewed during the year to reflect significant changes in the business environment.

6. There is no doubt upon the Company's ability to continue as a going concern.

7. The Directors of your Company feel that preservation of capital for future growth is very important, therefore no dividend is declared for the current year.

8. The Company has followed the best practices of the Code of Corporate Governance and there is no material departure there from.

9. Key operating and financial data for last six years is annexed with the report.

10. The related parties' transactions are approved or ratified by the Board Audit Committee and the Board of Directors.

11. All major decisions relating to the investments / disinvestments, changes in the policies are taken by the Board of directors.

12. Decisions regarding appointment of CEO, CFO & Company Secretary and Head of Internal Audit, and fixing or changing of remuneration are taken and approved by the Board.

13. Outstanding taxes and duties are given in the financial statements.

## Board of Directors

The Board of Directors comprises of seven members, four Non-Executive Directors, two independent Director and one Executive Director (MD & Chief Executive Officer).

During the year under review Four meetings were held and attended as follows:

Names of Directors	No. of meetings eligible to attend during the tenure	No. of meetings attended
Mr. Nizam A. Hashwani (Chairman)	4	4
Mr. Amin A. Hashwani (Chief Executive Officer)	4	4
Mr. Abdullah A. Hashwani	4	4
Syed Raza Abbas Jafferri	4	2
Mrs. Sultana A. Hashwani	4	4
Mrs. Farieha A. Hashwani	3	3
Mrs. Shahrina Hashwani	4	4
Mr. Anwer Ali	1	1

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The above seven Directors were re-elected for a term of three years on October 27, 2016, whereas the CEO was also re-appointed for a term of three years with effect from October 31, 2016.

The Board accepted the resignation of director, Mrs. Fariha A. Hashwani with effect from February 27th 2017 and to fill the casual vacancy thus caused appointed new director, Mr. Anwar Ali an Independent Director with effect from February 27th 2017, within the given 90 days' time limit.

Leave of absence was granted to the directors unable to attend the meeting.

The Board has developed a mechanism to evaluate its own performance by adopting self-evaluation methodology through an agreed questionnaire. The mechanism devised is based on the emerging and leading trends on the functioning of the Board and improving its effectiveness. The evaluation exercise is carried out every year.

#### Human Resource and Remuneration Committee

During the year 2017, one meeting of Human Resource and Remuneration Committee was held and attendance was as follows:

#### Attendance

Mr. Anwar Ali (Chairman)	0
Mr. Abdullah A. Hashwani	1
Mrs. Fariha A. Hashwani	1
Mr. Shahrina Hashwani	1

#### Pattern of Shareholding

A statement showing the pattern of shareholding as required under Section 234 of the Companies Ordinance 1984, for the year ended June 30, 2017 is attached with this report.

#### Trading of Company's Share

No trading in the shares of the Company was carried out by the Directors, CEO and Executives or their spouses or minor children, if any.

#### Compliance with the Code of Corporate Governance

The requirements of the Code set out by Pakistan stock exchange in its listing regulations, relevant for the year ended June 30, 2017, have been duly complied with an statement to this effect is annexed with this report.

#### Code of Conduct

The Board has adopted a statement of Code of Conduct for directors and employees. Acknowledgment for compliance are obtained and held by the Company.

#### Directors training program

Four (4) directors Mr. Amin A. Hashwani, Mr. Abdullah A. Hashwani, Mr. Nizam A. Hashwani and Mrs. Sultana A. Hashwani are exempted from the requirement of directors training program.

The Remaining directors will comply with the requirement of directors training program within the given deadline. During the year ended June 30, 2017 the company arranged for the Directors Orientation Course for their directors to acquaint them with Code of Corporate Governance, applicable laws, their duties and responsibilities to enable them to effectively manage the affairs of the listed companies for and on behalf of shareholders.

#### Employee Relations

The Management appreciates the co-operation of the employees during the year.

#### Future Plan /growth

The management is committed to restart operational activities as soon as Gas or any viable energy source is made available in the Winder Industrial Estate, which is expected by next year. This will facilitate growth of the business, which will reduce the loss of business, improve operational viability, profitability of the company and ensure return to the shareholders on their investment.

The prevailing business conditions and the highly competitive markets will continue to pose challenges. We have, however adopted a strategy that will support in profitable business growth.

#### Acknowledgement

The Board of Directors would like to express its sincere appreciation to the Company's valued clients, business partners and other stakeholders. The Board would also like to thank the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange and the Central Depository Company for their continued guidance and support.

**By Order of the Board**



**AMIN A. HASHWANI**  
Chief Executive

Karachi:

Dated : 05th October, 2017

## FINANCIAL HIGHLIGHTS

(Rupees in Thousands)

ASSETS EMPLOYED	2017	2016	2015	2014	2013	2012
Property Plant & Equipment (Book Value)	212,857	218,565	241,794	241,797	240.548	240.548
Long Term Deposit	25	25	25	25	25	25
Net Current Assets	(398)	(192)	(204)	(144)	412	333
<b>Total Assets Employed</b>	<b>212,484</b>	<b>218,398</b>	<b>241,615</b>	<b>241,678</b>	<b>240.985</b>	<b>240.906</b>
<b>FINANCED BY</b>						
Issued Subscribed & Paid up Capital	121,237	121,237	121,237	121,237	121.237	121.237
Reserve & surplus on revaluation	67,800	62,235	100,929	100,929	87.713	87.713
Accumulated Loss	(172,849)	(142,287)	(114,815)	(102,479)	(173.296)	(172.124)
<b>Shareholder's Equity</b>	<b>16,188</b>	<b>41,185</b>	<b>107,351</b>	<b>119,687</b>	<b>35.654</b>	<b>36.826</b>
Long Term Liabilities	165,837	147,926	134,264	121,991	205.327	204.080
<b>Total Capital Employed</b>	<b>212,484</b>	<b>218,398</b>	<b>241,615</b>	<b>241,678</b>	<b>240.981</b>	<b>240.906</b>
<b>OTHER DATA</b>						
Net Sales	-	-	-	-	-	-
(Loss) before Taxation	(40,242)	(37,275)	(12,729)	(17,479)	(1172)	(1082)
(Loss) after Taxation	(37,615)	(34,265)	(12,729)	(17,479)	(1172)	(1082)
(Loss) per Share	(3.10)	(2.83)	(1.05)	(1.44)	(0.10)	(0.09)

## STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No.5.19 of listing regulations of Pakistan Stock Exchange for the purpose of establishing framework of good governance, whereby a listed Company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the CCG in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes :

Category	Name
Independent Director	Mr. Anwer Ali Syed Raza Abbas Jafferri
Executive Director	Mr. Amin A. Hashwani
Non Executive Director	Mr. Nizam A. Hashwani Mr. Abdullah A. Hashwani Mrs. Sultana A. Hashwani Mrs. Shahrina Hashwani

The independent Director meet the criteria of independent under clause 5.19.1(b) of the CCG

2. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company.
3. All the resident directors of the company are registered as taxpayers and none of them have defaulted in payment of any loan to a banking company, a DFI and NBFI or, being a Broker of a stock exchange, has been declared as a defaulter by that stock exchange.
4. A casual vacancy occurred on the board on February 27, 2017 was filled up by the directors on February 27, 2017, within 15 days. The new Board was elected with effect from October 27, 2016 within the given time limit. The CEO was re-appointed from October 27, 2016.
5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive and non-executive directors, have been taken by the board/shareholders.
8. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. Four of the directors meets the criteria of exemption under clause 5.19.7 of the CCG and is accordingly exempted from the directors training program. The condition of training certification for other directors will be complied in due course. However, the company had made arrangements to carry out orientation course for the directors to acquaint them with CCG, applicable laws, their duties and responsibilities to enable them to effectively manage the affairs of the company for and on behalf of the shareholders.
10. The Board has approved the appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and the CFO before approval by the board.
13. The Directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The board has formed an Audit Committee. It comprises of three members, of whom one independent director two from non-executive director and the chairman of the committee is also non-executive director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed an HR and Remuneration Committee, It comprises three members, of whom one independent director, two from non-executive director and the chairman of the committee is an independent director.
18. The statutory auditors of the company have confirmed that they have been given satisfactory rating under the quality control review programme of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
19. The statutory auditors or the persons associated with them have not been appointed to provide others services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. The "Closed Period", prior to the announcement of interim / final results, and business decisions, which may materially affect the market price of company securities, was determined and intimated to directors, employees and stock exchange.
21. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
22. The company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
23. The Board has ensured that a mechanism is put in place for an annual evaluation of the board's own performance as required by the code.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

By Order of the Board



AMIN A. HASHWANI  
Chief Executive

**AUDITORS REVIEW REPORT TO THE MEMBERS ON STATEMENT OF  
COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE**

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Landmark Spinning Industries Limited ("the Company") for the year ended June 30, 2017 to comply with the requirements of Listing Regulation of Pakistan Stock Exchange Limited.

The responsibility for compliance with the 'Code of Corporate Governance' is that of the Board of Directors of the company. Our responsibility is to review, to the extent, where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the company's compliance with the provisions of the Code of Corporate Governance and report if it does not and to highlight any non compliance with the requirements of the code. A review is limited primarily to inquiries of the company personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Director's Statement on internal Control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the company's corporate governance procedures and risks.

The code requires the Company to place before the Audit Committee, and upon recommendation of the Audit committee, place before the Board of Directors for their consideration and approval its related party transactions distinguishing between transactions carried out on term equivalent to those that prevail in arm's length transactions and transaction which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention that causes us to believe, that the 'Statement of Compliance' does not appropriately reflect the company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the company for the year ended June 30, 2017.

CHARTERED ACCOUNTANTS  
Audit Engagement Partner : Mohammad GhalibPlace: Karachi  
Dated :

## AUDITORS' REPORT TO THE MEMBERS OF M/s. LANDMARK SPINNING INDUSTRIES LIMITED

We have audited the annexed Balance Sheet of M/s Landmark Spinning Industries Limited, as at June 30, 2017 and the related Profit & Loss Account, statement of Comprehensive Statement, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof (hereinafter collectively referred to as the "financial statements"), for the year then ended, and we state that, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) The financial statements of the company for the year ended June 30, 2017 as disclosed in note 2 to the financial Statements reflect loss after taxation of Rs. 37,615,197(2016 Rs.34,265,354) and as of that date it has accumulated losses of Rs. 172,849,415(2016:142,287,386) which resulted in net capital deficiency of Rs. 51,612,415(2016: Rs.21,050,386) and its current liabilities exceeded its current assets by Rs. 398,063(2016:Rs.191,451). The operations of the company were closed from the year November 29, 2002 and the company has not started its production for last many years despite representation made by the management to revive the production. Further, the winder industrial estate still not provided the gas connection as fully disclosed in note 2 and 11 to the financial Statements. Further, basic infrastructure facilities are not been provided to the industrial Estate. These conditions lead us to believe that the going concern assumption used in preparation of these financial Statements is inappropriate; consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.

b) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;

c) in our opinion :-

i) Except for the effects of matters referred in Paragraphs (a); the Balance Sheet and Profit & Loss Account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with the accounting policies consistently applied;

ii) the expenditure incurred during the year was for the purpose of the Company's business; and,

iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

d) in our opinion, and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed in para (a) above, the Balance Sheet, Profit & Loss Account, statement of Comprehensive income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof do not conform with approved accounting standards as applicable in Pakistan, and, do not give the information required by the Companies Ordinance, 1984, in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the loss its Comprehensive income, Cash flows and Changes in Equity for the year then ended; and

e) In our opinion "no Zakat was deductible at source under the Zakat and Ushr ordinance 1980".

*Feroze Sharif Tariq & Co.*

**CHARTERED ACCOUNTANTS**

Audit Engagement Partner: Mohammad Ghalib

Place: Karachi

Dated:

# LANDMARK SPINNING INDUSTRIES LIMITED

## BALANCE SHEET AS AT JUNE 30, 2017.

		June 30, 2017	June 30, 2016
	Note	RUPEES	
<b>NON CURRENT ASSETS</b>			
<b>FIXED ASSETS</b>			
Property, Plant and Equipments	7.	212,857,457	218,564,510
Long Term Deposits	8.	25,000	25,000
<b>CURRENT ASSETS</b>			
Advance Income Tax		38,688	38,688
Cash and Bank Balances	9.	15,800	31,461
		54,488	70,149
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	10.	452,551	261,600
Provision for Taxation	18.	-	-
		452,551	261,600
		(398,063)	(191,451)
Contingencies and Commitments	11.	<u>212,484,394</u>	<u>218,398,059</u>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL</b>			
<u>Authorized Capital</u>			
15,000,000 (2016: Rs. 15,000,000) Ordinary Shares of Rs.10/-each		<u>150,000,000</u>	<u>150,000,000</u>
<u>Issued subscribed and Paid up Capital</u>			
12,123,700 (2016: 12,123,700) Ordinary Shares of Rs. 10/- each fully paid in cash	12.	121,237,000	121,237,000
Accumulated Loss		(172,849,415)	142,287,386
		(51,612,415)	(21,050,386)
Surplus on Revaluation of Property, Plant and Equipment	13.	67,799,523	62,235,347
Deferred Taxation	14.	30,460,655	29,287,222
<b>NON CURRENT LIABILITIES</b>			
Long term Loans - Unsecured, Interest Free	15.	165,836,631	147,925,876
		<u>212,484,394</u>	<u>218,398,059</u>

The annexed notes form an integral part of these financial statements.



Amin A. Hashwani  
Chief Executive



Abdullah A. Hashwani  
Director

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2017**

	Notes	June 30, 2017	June 30, 2016
(Rupees)			
<b>Sales - Net</b>		--	--
<b>Cost of Sales</b>	16.	(22,437,221)	(23,223,093)
<b>Gross Profit</b>		<u>(22,437,221)</u>	<u>(23,223,093)</u>
<b>Operating Expenses</b>			
Administrative and General Expenses	17.	(3,750,361)	(1,295,472)
<b>Operating Loss</b>		<u>(26,187,582)</u>	<u>(24,518,565)</u>
<b>Finance Cost</b>			
Bank Charges and Commission		1,093	1,662
Unwinding of discount-on Associated and Related Party Loans-reversal		14,052,958	12,755,085
		<u>14,054,051</u>	<u>12,756,747</u>
<b>Loss Before taxation</b>		<u>(40,241,633)</u>	<u>(37,275,312)</u>
<b>Taxation</b>			
- Current	18	--	--
- Deferred tax		2,626,436	3,009,958
		<u>2,626,436</u>	<u>3,009,958</u>
<b>Loss after Taxation for the year</b>		<u><u>(37,615,197)</u></u>	<u><u>(34,265,354)</u></u>
<b>Loss Per Share - Basic</b>	19	<u><u>(3.10)</u></u>	<u><u>(2.83)</u></u>

The annexed notes form an integral part of these accounts.



Amin A. Hashwani  
Chief Executive



Abdullah A. Hashwani  
Director

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2017**

	Year ended June 30, 2017	Year ended June 30, 2016
	(Rupees)	
Loss for the year	(37,615,197)	(34,265,354)
Other comprehensive income	-	-
Transfer from surplus on revaluation of property plant and equipment in respect of:		
Incremental depreciation	8,472,375	9,406,119
Related deferred tax	(2,626,436)	(3,009,958)
	5,845,939	6,396,161
Total comprehensive income/(loss) for the year	(31,769,258)	(27,869,193)

*The annexed notes form an integral part of these financial statements.*

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2017**

	Share Capital	Unappropriated Profit	Total
	(Rupees)		
<b>Balance as on June 30, 2015 - Restated</b>	<b>121,237,000</b>	<b>(114,815,040)</b>	<b>(6,421,961)</b>
Amortization of Associated and Related Party Loans		396,846	396,846
<b>Total Comprehensive (Loss) for the year</b>		<b>(27,869,193)</b>	<b>(27,869,193)</b>
<b>Balance as on June 30, 2016</b>	<b>121,237,000</b>	<b>(142,287,386)</b>	<b>(21,050,386)</b>
Amortization of Associated and Related Party Loans		1,207,229	1,207,229
<b>Total Comprehensive (Loss) of the year</b>	<b>--</b>	<b>(31,769,258)</b>	<b>(31,769,258)</b>
<b>Balance as on June 30, 2017</b>	<b>121,237,001</b>	<b>(172,849,415)</b>	<b>(51,612,414)</b>

*The annexed notes form an integral part of these accounts.*



Amin A. Hashwani  
Chief Executive



Abdullah A. Hashwani  
Director

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2017**

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
<b>A. Cash Flow From Operating Activities</b>		
( Loss) before taxation	(40,241,633)	(37,275,312)
<b>Adjustment of non-fund items:</b>		
Depreciation	20,917,038	23,228,998
Financial Cost	1,093	1,662
Unwinding of discount-on Associated and Related party loans-reversal	14,052,957	12,755,085
	34,971,088	35,985,745
<b>Working capital charges</b>	(5,270,545)	(1,289,567)
<b>(Increase)/Decrease in Current Assets</b>	-	-
<b>(Increase)/Decrease in Current Liabilities</b>		
Trade and Other Payables	190,951	(19,670)
	190,951	(19,670)
	(5,079,594)	(1,309,237)
Financial Cost Paid	(1,093)	(1,662)
Income tax Paid /adjusted	-	-
<b>Net Cash Generated from Operating Activities</b>	<b>(5,080,687)</b>	<b>(1,310,899)</b>
<b>B. Cash Flow from Investing Activities</b>		
Long term deposits	-	-
<b>Net Cash Generated from Investing Activities</b>	-	-
<b>C. Cash flow from financing Activities</b>		
Long term loans	5,065,026	1,303,588
<b>Net cash flow from financing activities</b>	5,065,026	1,303,588
Net Increase/(Decrease) in cash and Bank Balances (A+B+C)	(15,661)	(7,311)
Cash and bank balances at the beginning of the year	31,461	38,772
Cash and Bank Balances at the end of the year	<b>15,800</b>	<b>31,461</b>

The annexed notes form an integral part of these account



Amin A. Hashwani  
Chief Executive



Abdullah A. Hashwani  
Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017****1. Corporate Information**

Landmark Spinning Industries Limited (the Company) was incorporated in Pakistan, as a private Limited Company on October 21, 1991 and was converted into a public limited company on April 30, 1992 under the Companies Ordinance, 1984 and its shares are listed on Pakistan Stock Exchange Limited (Formerly the Karachi and Lahore Stock Exchanges in Pakistan). The registered office of the company is located at 1st floor, Cotton Exchange Building, I I Chundrigar Road, Karachi, Pakistan; while its manufacturing facilities are located at Winder Baluchistan, Pakistan. The Principal activity of the Company is trading, manufacturing and sale of yarn.

The company commenced its commercial operation, from 2001 after reactivation of plant which remained idle for the seven years. However, the company again suspended its production on November 29, 2002 to forestall the recurring losses on account of electricity breakdowns and frequent Load shedding, stop gap arrangement was made to suspend operations for the time being until the market trends becomes conducive for positive results. The management feels that immediately upon the utility provision of gas supplies to winder Baluchistan industrial zone by S.S.G.C. Limited, which is in progress the same is also disclosed in note 11.1 to the financial statements, the production will be expected to commence in future.

**2. Going Concern Assumption**

The Company has incurred a net loss, after tax, of Rs. 37,615,197, during the year ended June 30, 2017, and as of that date it has accumulated losses of Rs. 172,849,415 and its current liabilities exceeded its current assets by Rs. 398,063. Further, as mentioned in Note 1 and 11.1, the operations of the company are, and have been in recession for a considerable period of time. During the year under review the production remain suspended owing to unfavorable conditions and lack of infrastructure facilities at winder Industrial area, especially the non availability of gas, as prices of fuel, diesel and electricity breakdowns have already caused the unit to bear losses. Conversely, the Management is hopeful to revive the unit, and start operations in the near future, The Government has plans to Provide Gas Connection at the mills in Winder (Baluchistan), and the company also is actively persuading the Government for supply of Gas connection at the factory which is expected to be supplied in future. Currently the government has entered into the agreement with Iran to supply the gas to Pakistan and the work has been started on the same and it is expected to this gas has also will supply to winder industrial State. Upon the supply of Gas connection, Further the Associated Companies have express their commitment to continue support to the company in order to maintain sustainability of the Company the same representation also given to Securities and Exchange Commission of Pakistan, the management would commence commercial operation and ultimately, the shareholders would be benefited in future.

**3. Statement of Compliance**

During the year, the Companies Act 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular no. 17 of 2017 dated July 20, 2017 communicated Commission's decision that the companies whose financial year closes on or before 30 June 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, these financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

**4. Basis of Preparation**

The financial statements have primarily been prepared on the historical cost basis, unless an accounting policy herein states otherwise. The financial statements, except for the Land, Building and Plant and Machinery which are stated at revalued amount and cash flow statement, have been prepared under the accrual basis of accounting.

**5. Summary of Significant Accounting Policies**

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except application of new amendments and interpretations in the International Accounting Standards as described below

**5.1 New standards, interpretations and amendments**

The Company has adopted the following revised standards, amendments and interpretation of IFRSs which became effective for the current year:

IFRS 10 – Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 – Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)  
 IAS 1 – Presentation of Financial Statements - Disclosure Initiative (Amendment)  
 IAS 16 – Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)  
 IAS 16 – Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)  
 IAS 27 – Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)  
 Improvements to Accounting Standards Issued by the IASB in September 2014  
 IFRS 5 Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal  
 IFRS 7 Financial Instruments: Disclosures - Servicing contracts  
 IFRS 7 Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements  
 IAS 19 Employee Benefits - Discount rate: regional market issue  
 IAS 34 Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'  
 The adoption of the above accounting standards did not have any effect on the financial statements.

## 5.2 Standards and amendments to approved accounting standards that are not yet effective

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (accounting periods beginning Standard or Interpretation on or after)
"IFRS 2: Share-based Payments – Classification and measurement of Share based Payments Transaction (Amendments)"	01 January 2018
"IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)"	Not yet Finalized
IAS 7 Statement of Cash Flows - Disclosure Initiative (Amendment)	01 January 2017
"IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)"	01 January 2017
"IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)"	01 January 2018
"IAS 40 Investment Property: Transfers of Investment Property (Amendments)"	01 January 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23 Uncertainty over Income Tax Treatments	01 January 2019

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018 (see note 2 below). The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	Effective date (accounting)
IFRS 9 – Financial Instruments: Classification and Measurement	01 January 2018
IFRS 14 – Regulatory Deferral Accounts	01 January 2016
IFRS 15 – Revenue from Contracts with Customers	01 January 2018
IFRS 16 – Leases	01 January 2019
IFRS 17 – Insurance Contracts	01 January 2021

**6 Significant Accounting Judgments, Estimates and Assumption**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

**6.1 Accounting Judgments, Estimates and Assumption****6.1.1 Property, plant and equipment**

Estimates with respect to residual values and depreciable lives and pattern of flow of economic benefits are based on the recommendation of technical team of the Company. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of tangible fixed assets with a corresponding affect on the depreciation charge and impairment.

**6.1.2 Taxation**

In making the estimates for income taxes payable by the Company, the management considers applicable tax laws and the decisions of appellate authorities on certain cases issued in past. Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

**6.1.3 Stock-in-trade**

The Company reviews the Net Realizable Value (NRV) of stock-in-trade to assess any diminution in the respective carrying values.

**6.1.4 Provision for doubtful receivables**

A provision for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. These estimates and underlying assumptions are reviewed on an ongoing basis.

**6.1.5 Contingencies**

The assessment of the contingencies inherently involves the exercise of significant judgment as the out come of the future events cannot be predicted with certainty. The company, based on the availability of the latest information, estimates at the value of contingent assets and liabilities which may differ on the occurrence/non occurrence of the uncertain future events.

**Summary of Significant Policies****6.2 Trade and Other Payables**

Liabilities for trade and other amounts payable are carried at cost, which is fair value of the consideration to be paid in the future for the goods or services so received whether billed to the Company or not.

**6.3 Taxation****Current Year**

Provision in respect of current year's taxation is based on the method of taxation prescribed under the Income Tax Ordinance, 2001, whereby taxable income is determined and tax charged at the current rates of taxation after taking into account tax credits and rebates available, if any, or the minimum tax liability determined under Section 113 of the Income Tax Ordinance, 2001, or Alternate Corporate Tax whichever is higher and tax paid on final tax regime basis. Alternate Corporate Tax is calculated in accordance with the provisions of Section 113C of Income Tax Ordinance, whichever is higher.

**Deferred**

The Company accounts for deferred taxation on all material timing differences between the tax base and accounting base of an asset or a liability. However, deferred tax is not provided if it can be established with reasonable certainty that these differences would not crystallize in the foreseeable future.

**6.4 Property, Plant and Equipment****- Owned**

Property, Plant and Equipment are stated at cost or revalued amounts less accumulated depreciation and impairment losses, if any; except for capital works in progress which are stated at cost and lease hold land which is on straight line basis.

Any surplus arising on revaluation of property plant and equipment is credited to the surplus on revaluation account. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. To the extent of incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment (net of deferred tax if any) is transferred to unappropriated profit through statement of comprehensive income.

**- Depreciation**

Full Years Depreciation is charged on acquisition or transfer of assets from capital work in progress, while no depreciation is charged on assets disposed off during the year. Depreciation is charged to income using reducing balance method, at the rates specified in the annexed schedule, whereby the cost/revalued amounts of asset is written off over its estimated useful life, reflecting the approximate value of the consumption of the respective assets economic benefits. The depreciation method and useful lives of the items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly

Assets residual Values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet dates.

**- Repairs, renewals and maintenance**

Major repairs and renewals are capitalized. Normal repairs and maintenance are charged as expense when incurred. Gains or losses on disposal or retirement of assets are determined as the difference between the sale proceeds and the carrying amounts of these assets, and are included in the income currently.

**6.5 Stores, Spares and Loose Tools**

These are stated at the lower of cost and net realizable value. The cost of inventory is based on the average cost. Items in transit are stated at cost accumulated up to the date of the balance sheet.

Provision for Slow moving, damaged and obsolete items are charged to Profit and Loss account. Value of items is reviewed at each balance sheet date to record provision for any slow moving items, damaged and obsolete items.

**6.6 Stock-in-Trade**

These are valued as follows :

Raw Material	:	At lower of average cost or net realizable value. Cost of raw material and components represents invoice value plus other charges paid thereon.
Finished Goods	:	At lower of weighted average cost or net realizable value. Cost of finished goods comprises of prime cost and an appropriate portion of production overheads.

Net Realizable Value signifies the estimated selling price in the ordinary course of business less cost necessary to be incurred in order to make the sale.

Stock in trades are regularly reviewed by the management and any obsolete items are brought down to their NRV.

**6.7 Trade Debts & Other Receivables**

Trade debts and other receivables are stated at original invoice amount less provision for doubtful debts, if any. Provision for doubtful debts / other receivables is based on the management's assessment of customers' outstanding balances and creditworthiness. Bad debts are written-off when identified.

**6.8 Foreign Currency Translation**

Transactions in foreign currencies, if any, are recorded using the rates of exchange prevalent at the date of the transaction. Assets and Liabilities in foreign currencies, if any, are translated into the reporting currency, i.e., Rupees, at the exchange rate prevalent at the balance sheet date, except where foreign exchange contracts are entered into; in which case, the contracted rates are used. Exchange gains and losses, if any, are included/charged into income currently.

**6.10 Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**6.11 Provisions**

A provision is recognized in the balance sheet when the company has a legal or constructive obligation, and, as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and that a reliable estimate can be made for the amount of this obligation. However, Provisions are reviewed at each balance sheet date adjusted to reflect current best estimate.

**6.12 Financial Instruments**

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial Assets and liabilities are subsequently premeasured to fair value, amortized cost or cost as the case may be, Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit and loss account for the period in which it arises.

All financial assets and liabilities are recognized at the time when the company becomes a party to the contractual provisions of the instrument. Financial Assets are recognized when the company loses control of the contractual rights that comprises the financial asset. Financial Liabilities are removed from the balance sheet when the obligation is extinguished, discharged, cancelled or expired.

Assets and liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the government are not the financial instruments of the company.

**6.13 Off Setting**

Financial asset and financial liability is set off and the net amount is reported in the balance sheet if the company has a legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Corresponding income on assets and charge on liability is also offset.

**6.14 Cash and Cash Equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash and bank balances.

**6.15 Impairment of Assets**

The carrying amounts of the assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount, whereby the asset is written down and that impairment losses are recognized in the profit and loss account.

**6.16 Related Party Transactions**

All transactions with related parties are carried out by the company at mark to market basis with the exception of loan taken from related parties which are interest/mark up free. Prices for these transactions are determined on the basis of admissible valuation methods.

**6.17 Loans, Advances and Other Receivables**

Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/ residual cost.

**6.18 Revenue Recognition**

Revenue from Sales is recognized on dispatch of goods to customers.  
Other Income is recognized on accrual Basis.

**6.19 Retirement and termination benefits**

The company does not operate any employee's benefits scheme.

**6.20 Contingent Liability.**

A contingent liability is disclosed in the financial statements unless the possibility of an out flow of resources embodying economic benefits is remote.

**6.21 Contingent Assets.**

A contingent asset is disclosed where in inflow of economic benefits is probable.

**6.22 Dividend and Appropriation to reserves**

Dividend and appropriation to reserve are recognised in the financial statements in the period in which these are approved.

# LANDMARK SPINNING INDUSTRIES LIMITED

	Note	June 30, 2017	June 30, 2016
<b>7. Tangible Fixed Assets</b>			
Property, Plant and Equipment	7.1	212,857,457	218,564,510
		<u>212,857,457</u>	<u>218,564,510</u>

## 7.1 Property, Plant and Equipment - At cost less accumulated depreciation

Particulars	Cost/Revaluation			Rate %	Depreciation			Written Down Value As At June 30, 2017	
	As at July 01, 2016	Additions / Revaluation	(Deletion)		As at June 30, 2017	As at July 01, 2016	For the period		As at June 30, 2017
	Rupees				Rupees				
Lease hold land	10,956,340	219,127	-	11,175,467	1	465,903	109,563	575,467	10,600,000
Factory Building on lease hold land	158,621,060	4,758,632	-	163,379,692	10	31,881,278	12,673,978	44,555,256	118,824,436
Plant and Machinery	127,902,816	10,232,225	-	138,135,041	10	46,902,816	8,100,000	55,002,816	83,132,225
Hut at Sandspit (Leasehold)	308,500	--	-	308,500	10	285,738	2,276	288,015	20,485
Power House Generator	40,000	--	-	40,000	10	29,959	1,004	30,963	9,037
Telephone Installations & Instruments	108,200	--	-	108,200	10	80,217	2,798	83,015	25,185
Factory Tools and Equipments	115,205	--	-	115,205	10	84,801	3,040	87,842	27,363
Furniture, Fixture and Equipments	3,183	--	-	3,183	10	2,284	90	2,374	809
Electrical Installations	388,116	--	-	388,116	10	152,412	23,570	175,983	212,133
Vehicles	195,000	--	-	195,000	20	194,333	133	194,466	534
Sales and Measuring Equipments	8,000	--	-	8,000	10	2,168	583	2,751	5,249
2017	298,646,420	15,209,984	-	313,856,404		80,081,910	20,917,038	100,998,947	212,857,457
2016	298,646,420	--	-	298,646,420		56,852,912	23,228,998	80,081,910	218,564,510

### NOTE:

7.1. During the year 2017 the company has revalued its Fixed assets (Land, Building and Plant and machinery) from the independent valuer namely M/s Dimensions Specialized Services resulting the surplus arising from the revaluation is Rs. 15,209,984/= as on June 30, 2017.

	REVALUED AMOUNT AS PER INDEPENDENT VALUER REPORT AS ON JUNE 30, 2017	BOOK VALUE OF REVALUED ASSETS/ CARRYING AMOUNT AS ON JUNE 30, 2017	DIFFERENCE BETWEEN BOOK VALUE & REVALUED AMOUNT
Lease hold land	10,600,000	10,380,873	219,127
Factory Building on lease hold land	118,824,436	114,065,804	4,758,632
Plant and Machinery	83,132,225	72,900,000	10,232,225
	<u>212,556,661</u>	<u>197,346,677</u>	<u>15,209,984</u>

Had there been no revaluation the related figures of Land and Building and plant and Machinery as at June 30, 2016 would have been as follows:

	COST	Accumulated Depreciation	Written Down Value
Lease hold land	2,969,450	598,344	2,371,106
Factory Building on lease hold land	65,679,261	47,129,498	18,549,763
Plant and Machinery	139,862,787	100,361,405	39,501,382
	<u>208,511,498</u>	<u>148,089,247</u>	<u>60,422,251</u>

June 30, 2017	June 30, 2016
RUPEES	
20,911,740	23,223,093
5,298	5,905
<u>20,917,038</u>	<u>23,228,998</u>

# LANDMARK SPINNING INDUSTRIES LIMITED

7.2. Up to the year ended June 30, 2015 the company has Not charged the Depreciation since 2002-2003 on Assets except a Hut on Sandspit (Lease Hold) and Vehicles has been charged during the period as their has been no production activity made during the period under review. Had the company charged depreciation on all the assets of the company the written down value of Fixed assets would have been reduced by Rs. 153,223,690 and consequently Accumulated losses of the company as of Balance sheet date would have been increased by Rs. 153,223,690 and also the company not considered the impact of depreciation on revaluation then written down value of Fixed assets (with out revaluation) would have been reduced by Rs. 94,979,417 and consequently Accumulated losses of the company as of Balance sheet date would have been increased by Rs. 94,979,417. From the year June 30, 2016 the company decided to Charge the depreciation on their assets. Since the year June 30, 2016 the company has been started to charge the depreciation on all the compnaies assets. During the year the company has revalued its assets and the same amounts reflected on revalued amounts as on June 30, 2017 therfore the above effect of Non charging of depriciation has been mitigated in the value of same assets in disclosed as on June 30, 2017.

Particulars	Cost/Revaluation			Rate	Depreciation			Written Down Value As At June 30, 2016	
	As at July 01, 2015	Revluation	Impairment of Plant	As at June 30, 2016	%	As at July 01, 2015	For the period		As at June 30, 2016
	Rupees					Rupees			
Lease hold land	10,956,340	--	-	10,956,340	1	356,340	109,563	465,903	10,490,437
Factory Building on lease hold land	158,621,060	--	-	158,621,060	10	17,799,080	14,082,198	31,881,278	126,739,782
Plant and Machinery	127,902,816	--	-	127,902,816	10	37,902,816	9,000,000	46,902,816	81,000,000
Hut at Sandspit (Leasehold)	308,500	--	-	308,500	10	283,209	2,529	285,738	22,762
Power House Generator	40,000	--	-	40,000	10	28,843	1,116	29,959	10,041
Telephone Installations & Instruments	108,200	--	-	108,200	10	77,108	3,109	80,217	27,983
Factory Tools and Equipments	115,205	--	-	115,205	10	81,423	3,378	84,801	30,404
Furniture, Fixture and Equipments	3,183	--	-	3,183	10	2,184	100	2,284	899
Electrical Installations	388,116	--	-	388,116	10	126,223	26,189	152,412	235,704
Vehicles	195,000	--	-	195,000	20	194,166	167	194,333	667
Sales and Measuring Equipments	8,000	--	-	8,000	10	1,520	648	2,168	5,832
2016	298,646,420	--	-	298,646,420		56,852,912	23,228,998	80,081,910	218,564,510
2015	298,646,420	--	-	298,646,420		56,849,893	3,019	56,852,912	241,793,508

## NOTE:

7.1. Previously the following fixed assets were revalued by independent valuer namely M/s A.R. Bherwani (Private) Limited resulting the surplus arising from the revaluation is Rs. 87,713,358/= During the last year as on December 29, 2013 the company has revalued the same class of assets Land. Building on Land and Plant and Machinery by independent valuer M/s. MYK Associates (Private) Limited resulting surplus over the previously revalued assets by Rs. 13,215,331- net and impairment of Cost Price of Plant is Rs. 11,959,971-net.

	REVALUED AMOUNT AS PER INDEPENDENT VALUER REPORT AS ON JUNE 30, 2014	BOOK VALUE OF REVALUED ASSETS /CARRYING AMOUNTS AS ON JUNE 30, 2014	DIFFERENCE BETWEEN BOOK VALUE & REVALUED AMOUNT
Lease hold land	10,600,000	10,600,000	-
Factory Building on lease hold land	140,821,980	79,371,466	61,450,514
Plant and Machinery	90,000,000	150,195,154	(60,195,154)
Impairment in cost of the plant and machinery booked to profit and loss account			(11,959,971)
	<b>241,421,980</b>	<b>240,166,620</b>	<b>1,255,360</b>
Impairment in cost of the plant and machinery booked to profit and loss account			(11,959,971)

Had there been no revaluation the related figures of Land and Building and plant and Machinery as at June 30, 2016 would have been as follows:

	COST	Accumulated Depreciation	Written Down Value
Lease hold land	2,969,450	538,954	2,430,496
Factory Building on lease hold land	65,679,261	42,778,319	22,900,942
Plant and Machinery	139,862,787	91,095,649	48,767,138
	<b>208,511,498</b>	<b>134,412,922</b>	<b>74,098,576</b>

## Allocation of Depreciation

Depreciation for the period has been allocated as follows:  
Production Expenses  
Administrative Expense

June 30, 2016	June 30, 2015
RUPEES	
23,223,093	--
5,905	3,019
<b>23,228,998</b>	<b>3,019</b>

7.2. Up to the last year ended June 30, 2015 the company has Not charged the Depreciation since 2002-2003 on Assets except a Hut on Sandspit (Lease Hold) and Vehicles has been charged during the period as their has been no production activity made during the period under review. Had the company charged depreciation on all the assets of the company the written down value of Fixed assets would have been reduced by Rs. 153,223,690 and consequently Accumulated losses of the company as of Balance sheet date would have been increased by Rs. 153,223,690 and also the company not considered the impact of depreciation on revaluation then written down value of Fixed assets (with out revaluation) would have been reduced by Rs. 94,979,417 and consequently Accumulated losses of the company as of Balance sheet date would have been increased by Rs. 94,979,417. From the year June 30, 2016 the company decided to Charge the depreciation on their assets

# LANDMARK SPINNING INDUSTRIES LIMITED

	June 30, 2017	June 30, 2016
	(Rupees)	
<b>8. Long Term Deposits</b>		
Central Depository Company	25,000	25,000
<b>9. Cash and Bank Balances</b>		
Cash in Hand	--	--
Cash at Banks - Current Accounts	15,800	31,461
	15,800	31,461
<b>10. Trade and Other Payables</b>		
Accrued Expenses	451,355	260,290
<b>Others</b>		
With holding tax Payable	1,916	1,310
	452,551	261,600
<b>11. Contingencies and Commitments</b>		
11.1. The Securities and Exchange Commission of Pakistan issued notice under section 305 (c) of the companies ordinance 1984 regarding the winding up petition to be filed against the Company and the Deputy Director Enforcement Wing of SECP has passed the order directing to file the winding up petition vide their order dated May 07, 2013. The company filed a revision petition against the said order under section 484 of the Companies Ordinance 1984 in which the company requested SECP to allow time for commencing business operation of Factory up to December 31, 2014 as at that time supply of Iran Gas will Commence to Pakistan, which onward will be supplied to M/s. Landmark Spinning Mills Limited enabling the Company to start the commercial production therefore the SECP after considering this fact granted the time till December 31, 2014. The company is pursuing to the commission for the extension of further time to restart the production in this regard the company have submitted Projections and the letters from Directors/sponsors which express their commitment to continue support to the company in order to maintain sustainability of the Company the Securities and Exchange Commission of Pakistan further extended the time reinitiate the time for winding up petition review for one year in their order dated December 21, 2016.		
<b>12. Issued, Subscribed and Paid-up Capital</b>	<b>June 30, 2017</b>	<b>June 30, 2016</b>
No. of Ordinary Shares of Rs. 10/- each	(Rupees)	
<b>2016</b>	<b>2015</b>	
12,123,700	12,123,700	Fully Paid in cash
12,123,700	12,123,700	121,237,000
	121,237,000	121,237,000
<b>13. Surplus on Revaluation of Property, Plant and Equipments</b>		
Opening Balance	91,522,570	100,928,689
Surplus arising on revaluation during the year	15,209,984	--
Transferred to unappropriated profit:		
- Surplus relating to incremental depreciation charged during the year - net of deferred tax	(5,845,939)	(6,396,161)
- Related Deferred Tax Liability	(2,626,436)	(3,009,958)
	(8,472,375)	(9,406,119)
	98,260,178	91,522,570
Less: related deferred tax liability on:		
Opening Balance (adjustment of rate difference)	28,371,997	32,297,180
- Surplus arising on revaluation during the year	4,715,095	--
- Incremental depreciation charged during the year	(2,626,436)	(3,009,958)
	30,460,656	29,287,222
	67,799,523	62,235,347

This represents net surplus over the book value resulting from the revaluation of land, Building and Plant and Machinery carried out by independent valuer namely M/s Dimensions Specialized Service, and their Report on the revaluation dated June 30, 2017 on the basis of market value or depreciated replacement values as applicable. Basis of revaluation are as follows:

## **Land**

Valuation of land is determined by obtaining key market data from property brokers, dealers and estate agents to ascertain the Present market value considering its location and market potential.

## **Building**

Revalued amount of building has been determined is simple. After taking into account the re-instatement value have been computed after applying present market rate of construction. The have applied the depreciation factor of Structure at 1% per annum for the present assessed value and the covered area assessment are based on our physical measurements.

# LANDMARK SPINNING INDUSTRIES LIMITED

## Plant and Machinery

The plant, Machinery and Equipment values are derived from the make, model and year from the local machinery Dealer/ Agent and/or suppliers Local or Foreign. The values are consequent to the purchase and induction year, Frequency of running/operation, nature of periodic maintenance weather and terrain effects on performance and storage, market demand of Equipment, special handling of machine, productivity and out put and the availability of spare parts and repair expertise. These findings are the best of our knowledge true and correct and are issued WITHOUT PREJUDICE. In consideration of the foregoing, our estimated value can only be discussed with in three weeks from the date of issue of this report and received by the financial institution/client from the date of receipt of the same.

The revaluation has resulted in increase in surplus and corresponding carrying/revalued amounts of Land and Building and Plant by Rs. 15.210 million. As fully disclosed in note 7.1 to the financial Satemnets.

The revaluation has resulted in increase in surplus and corresponding carrying/revalued amounts of Land and Building and Plant by Rs. 15.210 million. As fully disclosed in note 7.1 to the financial Satemnets.

The closing balance of surplus on revaluation of property, plant and equipment is not available for distribution to shareholders.

<b>14 Deferred taxation</b>	<b>June 30, 2017</b>	<b>(Rupees)</b>	<b>June 30, 2016</b>
Liability / (asset) balances arising in respect of:			
Accelerated tax depreciation	(14,079,774)		(7,389,745)
Accumulated tax losses and available tax credits	(14,079,774)		(7,389,745)
Deferred tax (asset)	14,079,774		7,389,745
Deferred tax asset not recognized	--		--
Deferred tax liability in respect of:			
- Revaluation net of related depreciation	30,460,655		29,287,222
	<u>30,460,655</u>		<u>29,287,222</u>
<b>15. Long term Loan</b>			
Long term Loan from Associated and related parties			
Loan from Associated undertaking-unsecured-interest free 15.1.	217,732,280		212,667,254
Less: present value adjustment	(65,948,608)		(77,496,464)
Add: interest charged to profit and loss account	14,052,958		12,755,085
	<u>165,836,631</u>		<u>147,925,876</u>
<b>15.1 Break up of Long term loan</b>			
(Unsecured & interest free)			
From Associated undertakings 15.3	217,732,280		212,667,254
	<u>217,732,280</u>		<u>212,667,254</u>

15.1 These interest free loans are repayable in lump sum on June 30, 2020.

The loan from director has been measured at amortized cost in accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 9.50% per annum.

15.2 Maximum balance due at the end of any month during the year is Rs. 217,732,280 ( 2016 : Rs. 212,667,254 )

<b>15.3.1 Break up of associated undertaking loan</b>	<b>June 30, 2017</b>	<b>(Rupees)</b>	<b>June 30, 2016</b>
Hassan ali rice export company	197,184,006		192,118,980
syndicate mineral export company	20,548,274		20,548,274
	<u>217,732,280</u>		<u>212,667,254</u>

# LANDMARK SPINNING INDUSTRIES LIMITED

	June 30, 2017	June 30, 2016
	(Rupees)	
<b>16 Cost of Sales</b>		
Raw Material Consumed	--	--
Oil and Lubricant consumed	1,525,481	--
Fuel and Power	--	--
Salaries, Wages and Other Benefits	--	--
Repairs and Maintenance	--	--
Depreciation	20,911,740	23,223,093
	<u>22,437,221</u>	<u>23,223,093</u>
Work-in-Process - Opening	--	--
Work-in-Process - Closing	--	--
Cost of Goods Manufactured	22,437,221	23,223,093
Finished Goods - Opening	--	--
Finished Goods - Closing	--	--
	<u><u>22,437,221</u></u>	<u><u>23,223,093</u></u>

## 17. Administrative and General Expenses

Salaries & Wages	3,200,133	736,500
Fees & Subscription	331,745	369,897
Printing & Stationery	47,670	35,420
Advertisement Expenses.	30,515	12,750
Legal and Professional Charges	60,000	60,000
Auditors' Remuneration	75,000	75,000
Depreciation Expenses.	5,298	5,905
	<u>3,750,361</u>	<u>1,295,472</u>

## 18. Taxation

18.1 Due to Gross Loss situation and the company is not in operation the provision has not been made in the financial Statemnets. The income tax returns of the company has been filed upto tax year 2016 to income tax department and the assessments of the company have been finalized upto and including the tax year 2015 However, the commissioner of income tax may at any time during a period of five years from the date of filling of return may select the deemed assessment for audit.

18.2. The numerical reconciliation between the average tax rate and the applicable tax rate has not been presented in theses financial statements as the company is not in operational activities as described in note 1 of these financial statements.

## 19. Earnings Per Share - Basic and Diluted

Profit after Taxation	(37,615,197)	(34,265,354)
Weighted Average Number of Ordinary Shares	<u>12,123,700</u>	<u>12,123,700</u>
Earning Per Share - Basic	<u>(3.10)</u>	<u>(2.83)</u>

19.1 No figure for diluted earning per share has been presented as the company has not yet issued any instruments which would have an impact on basic earning per Share when exercised.

## 20. Related Party Transactions

Payment/adjustment to Director	-	7,810,812
Received/Adjustment of Loan Amount	5,065,026	9,114,399

The receivable/payable balances with related parties as at June 30, 2016 are disclosed in the respective notes to the financial statements.

All transactions were carried out on normal terms and conditions. Reimbursement of expenses were on actual basis. Remuneration and benefits to key management personnel under the terms of their employment.

## 21. Plant Capacity and Production

Particulars	2017		2016	
	Average Count		Average Count	
Actual production converted to 20 count	-	-	-	-
Attainable capacity (in million kgs)	-	6,152	-	6,152
Number of spindles installed	-	22,848	-	22,848
Worked during the year	-	-	-	-
Number of shifts worked during the year	-	-	-	-

## 22. Reason for Suspension of Operation

The Production remain Suspended during the Period 2016-2017 under review due to repeated power break downs in winder (Baluchistan) causing damage to the machinery, beside, unfavorable market conditions, unworkable prices of raw Cotton and to increase overhead Costs. The company is in preparation to commence production activities in near future as and when Gas supplies are made available by SSGC in Winder Baluchistan.

## 23. Remuneration of Chief Executive, Directors and Executives

No. remuneration or Benefit paid to Chief Executive, Director and Executives of the company due to company not involve in the operational activities.

## 24. Financial Instruments

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

### 24.1 Credit risk

Credit risk is the risk that one party to the financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Company believes that it is not exposed to major concentration of credit risk. However, to reduce exposure to credit risk, if any, the monitors the credit exposure towards the customers and makes provisions against those balances considered doubtful of recovery.

The maximum exposure to credit risk at the reporting date is:

	<b>June 30, 2017</b>	<b>June 30, 2016</b>
	<b>Rupees</b>	
Deposits and Prepayments	-	-
Cash with banks in current accounts	15,800	31,461
	<u>15,800</u>	<u>31,461</u>

### 24.2. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liability when due.

The company is exposed to liquidity risk in respect of non current interest bearing liabilities and trade and other payables.

2017					
Carrying amount	Contractual cash flows	Six months or less	Six to twelve	One to two year	Two to five years
Rupees					

Financial liabilities

Lon term Loan from Associated companies - interest free	217,732,280	217,732,280	-	-	-	217,732,280
Trade and other payables	452,551	452,551	294,158	158,393	-	-
	218,184,831	218,184,831	294,158	158,393	-	217,732,280.00

2016					
Carrying amount	Contractual cash flows	Six months or less	Six to twelve	One to two year	Two to five years
Rupees					

Financial liabilities

Lon term Loan from Associated companies - interest free	212,667,254	212,667,254	-	-	-	212,667,254
Trade and other payables	261,600	261,600	170,040	91,560	-	-
	212,928,854	212,928,854	170,040	91,560	-	212,667,254

### 24.3 Market risk

Market risk is the risk that the value of a financial instrument will fluctuate resulting in as a result of changes in market prices. The Company manages market risk through binding contracts.

#### a) Currency risk

Foreign currency risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Company is not materially exposed to foreign currency risk on foreign currency assets and liabilities.

#### b) Interest rate risk

The Company has availed interest free long term loans from associated companies therefore the Company is not exposed to Interest rate risk.

### 24.4 Risk management policies

Risk management is carried out by the management under policies approved by board of directors. The board provides principles for overall risk management, as well as policies covering specific areas like foreign exchange risk, interest rate risk and investing excessive liquidity.

### 24.5 Capital risk management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances.

**24.6 Fair value of financial instruments**

Fair value is an amount for which an assets could be exchanged, or a liability settled, between knowledgeable willing parties in arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

As at the reporting date the fair value of all financial assets and liabilities are estimated to approximate their carrying values.

**25 Approval of Financial Statements**

These financial statements were approved by the Board of Directors and authorized for issue on 5th October 2017.

**26 Number of Employees**

Number of persons employed as at year end were 4 (2016: 4) and the average number of persons employed during the year were 4 (2016: 4) all are contractual employees.

**27 General**

- i) Figures have been rounded off to nearest rupee.
- ii) Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates. The financial Statements are presented in Pakistani rupees, which is the Company's functional and Presentational currency.



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Amin A. Hashwani  
Chief Executive



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Abdullah A. Hashwani  
Director

**PATTERN OF SHARE HOLDING  
AS AT JUNE 30, 2017**

<b>S/NO</b>	<b>NUMBER OF SHARE HOLDER</b>	<b>SHARE HOLDING BOUNDARIES</b>			<b>NOS. OF SHARE HELD</b>	
1	196	1	-----	100	-	4,430
2	246	101	-----	500	-	122,205
3	38	501	-----	1,000	-	39,155
4	40	1,001	-----	5,000	-	109,937
5	12	5,001	-----	10,000	-	93,500
6	7	10,001	-----	15,000	-	84,780
7	1	15,001	-----	20,000	-	16,000
8	1	20,001	-----	25,000	-	22,000
9	2	25,001	-----	35,000	-	61,000
10	2	35,001	-----	45,000	-	81,952
11	2	45,001	-----	245,000	-	444,000
12	2	245,001	-----	250,000	-	491,860
13	1	250,001	-----	360,000	-	355,437
14	1	1,970,001	-----	1,975,000	-	1,972,300
15	1	2,000,001	-----	2,005,000	-	2,001,305
16	1	2,240,001	-----	2,245,000	-	2,242,879
17	1	2,245,001	-----	4,000,000	-	3,970,960
	<b>554</b>					<b>12,123,700</b>

<b>CATEGORIES OF SHARE HOLDERS</b>	<b>NOS. OF SHARE HOLDERS</b>	<b>NOS. OF SHARE HELD</b>	<b>PERCENTAGE OF SHARES HELD</b>
INSURANCE COMPANIES	1	4,000	0.03
JOINT STOCK COMPANIES	4	386,938	3.19
BANKS & FINANCIAL INSTITUTIONS	3	3,987,011	32.89
DIRECTORS, CEO, THEIR SPOUSES & MINOR CHILDREN	10	6,986,844	57.63
INDIVIDUAL	534	716,518	5.91
OTHERS	2	42,389	0.35
<b>TOTAL</b>	<b>554</b>	<b>12,123,700</b>	<b>100</b>

**Details of Categories of Shareholders  
As At June 30, 2017**

	NUMBER OF SHAREHOLDERS	SHARE HELD
<b>BANKS AND FINANCIAL INSTITUTIONS</b>	3	3,987,011
<b>JOINT STOCK COMPANIES</b>	4	386,938
<b>INSURANCE COMPANIES</b>	1	4,000
<b>DIRECTORS, CEO THEIR SPOUSES AND MINOR CHILDREN</b>		
<b>Mr. Amin A. Haswani</b> <b>Director</b>		2,001,305
<b>Mr. Abdullah Hashwani</b> <b>Director</b>		2,242,879
<b>Mr. Nizam A. Hashwani</b> <b>Director</b>		1,972,300
<b>Mrs. Sultana Hashwani</b> <b>Director</b>	7	245,930
<b>Mrs. Shahrina A. Hashwani</b> <b>Director</b>		244,000
<b>Mr. Anwer Ali</b> <b>Director</b>		1000
<b>Syed Raza Abbas Jaffery</b> <b>(Represent-National Investment (Unit) Trust)</b>		6,707,414
<b>Shares held by Relatives &amp; Associates</b>	3	279,430
<b>INDIVIDUALS</b>	534	716,518
<b>OTHERS</b>	2	42,389
	<u>554</u>	<u>12,123,700</u>

**Shareholders Holding 10% or More Voting Interest in the Company  
As At June 30, 2017**

	Shares Hold	Percentage
<b>Mr. Amin A. Hashwani</b> <b>Director</b>	2,001,305	16.50
<b>Mr. Abdullah Hashwani</b> <b>Director</b>	2,242,879	18.50
<b>Mr. Nizam A. Hashwani</b> <b>Director</b>	1,972,300	16.27
<b>National Bank of Pakistan (Formerly Mehran Bank Ltd.)</b>	3,970,960	32.75

**Form of Proxy**  
**26th Annual General Meeting**  
**LANDMARK SPINNING INDUSTRIES LIMITED**

I/We.....  
of.....  
a member(s) of LANDMARK SPINNING INDUSTRIES LIMITED and holder of .....  
ordinary share, do hereby appoint.....  
of.....  
or failing him .....  
of.....

a member of LANDMARK SPINNING INDUSTRIES LIMITED, vide Registered Folio No.....  
as my/our proxy to act on my/our behalf at 18th Annual General Meeting of the Company to be held on 28th October  
2017 at 3:00 p.m. at 1st Floor, Cotton Exchange Building, I.I. Chundrigar Road, Karachi.

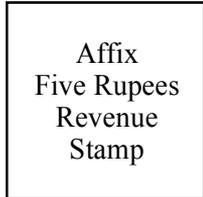
Signed this .....day of .....2016

Signature.....

Name .....

Address.....

CNIC/Passport No.....



(Signature should agree with the specimen signature registered with the Company)

**NOTES:**

1. No proxy shall be valid unless it is duly stamped with a revenue stamp worth Five Rupees.
  2. In the case of Bank or Company, the proxy form must be executed under its Common seal and signed by its authorised person.
  3. If this proxy form is signed under a Power of attorney or their authority then a notarially copy of that power of attorney/authority must be deposited along with this proxy form.
  4. This form of proxy duly completed must be deposited at the Registered Office of the Company at least 48 hours before the time of holding the meeting.
-

# LANDMARK SPINNING INDUSTRIES LIMITED

پراکسی فارم  
26 ویں سالانہ جنرل میٹنگ  
لینڈ مارک اسپننگ انڈسٹریز لمیٹڈ

میں / ہم .....  
کے .....  
لینڈ مارک اسپننگ انڈسٹریز لمیٹڈ کا ممبر اور آرڈنری شیئر .....  
ہولڈر، نامزدگی برائے .....  
کا .....  
لینڈ مارک اسپننگ انڈسٹریز لمیٹڈ کا ممبر رجسٹرڈ فولیو نمبر .....

26 ویں سالانہ جنرل میٹنگ برائے کمیٹی جو 28 اکتوبر 2017 کو دوپہر 3:00 بجے  
برمقام پہلی منزل کاٹن ایکسچینج بلڈنگ آئی آئی چندریگر روڈ کراچی کے

پراکسی عمل کا حقدار ..... دن ماہ 2017 .....

آویزہ چسپاں کریں  
پانچ روپے  
کارسیدی  
ٹکٹ

دستخط .....  
نام .....  
پتہ .....

پاسپورٹ یا قومی شناختی کارڈ نمبر .....  
آپکی دستخط کمپنی میں موجود رجسٹرڈ دستخط کی طرح ہونی چاہیے۔

## نوٹ

- 1۔ پراکسی اس وقت تک قابل قبول نہ ہوگی جب تک اس میں 5 روپے کارسیدی ٹکٹ نہ ہوگا۔
- 2۔ بینک یا کمپنی کی صورت میں پراکسی فارم پر سیل اور منظور شدہ دستخط لازم ہے۔
- 3۔ اگر پراکسی فارم پاور آف اٹارنی کے ذریعے پیش کرتے وقت پاور آف اٹارنی پراکسی کے ساتھ منسلک کیا جائے۔
- 4۔ پراکسی فارم کو میٹنگ سے 48 گھنٹے پہلے مکمل کر کے رجسٹرڈ آفس میں جمع کروایا جائے۔

لینڈ مارک اسپننگ انڈسٹریز لمیٹڈ  
ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز بعد خوشی 26 ویں سالانہ رپورٹ پیش کر رہے ہیں۔ جس کے ساتھ آڈیٹرز رپورٹ بھی شامل ہے مزید یہ کہ سالانہ آڈٹ شدہ فائنٹشل رپورٹ 30 جون 2017 بھی منسلک ہے۔

فائنٹشل ہائی لائٹس

آپ کی کمپنی کے فائنٹشل ہائی لائٹس سال 30 جون 2017 اور 30 جون 2016 کا تقابلی جائزہ:-

2017	2016	
20,911,740	23,223,093	ڈیپریسییشن
1,525,481	0	مشینری کی مرمت وغیرہ کے اخراجات
3,750,361	1,295,472	انتظامی و عام اخراجات
1,093	1,662	فائنٹشل کاسٹ
14,052,958	2,755,085	ان وائیڈیڈ ڈسکاؤنٹ۔ ایسوسی ایٹڈ اور ریلیٹیڈ پارٹی لونس۔ ریورسل ٹیکسیشن سے پہلے (نقصانات)
40,241,633	37,275,312	ڈیفریڈ ٹیکسیشن
2,626,436	3,009,958	ٹیکسیشن کے بعد (نقصانات)
37,615,197	34,265,354	فی شیئر نقصان (بیسک)
(3.10)	(2.83)	

کیونکہ آپ کی کمپنی کوئی کام کاج نہیں کر رہی تھی۔ لہذا اس کی جو ٹیکس ادا کرنے کے بعد نقصانات برداشت کرنے پڑ گئے وہ رقم -/37,615,197 روپیہ بنتی ہے جو کہ 30 جون 2017 تک ختم ہونے والے سال کے متعلق ہے جس کی تفصیل مندرجہ ذیل ہے:-

فی شیئر آمدنی (کمائی):

30 جون 2017 کو ختم ہونے والے مالی سال کی فی شیئر آمدنی (کمائی) 3.10 روپیہ ہے (30 جون 2016 کی Rs.2.83 تھی) میٹر میں تبدیلیاں:

30 جون 2017 تک کوئی بھی میٹر میں تبدیلیاں نہیں ہوئی ہیں اور کمپنی کسی بھی معاہدہ میں شامل حال نہیں ہوئی ہے جس کی وجہ اس تاریخ مالی حالت پر کوئی اثر نہیں پڑتا۔ ڈائریکٹرز کی طرف سے یا ایسوسی ایٹڈ یا ریلیٹیڈ پارٹیوں کے طرف سے (2) حصہ کے سلسلہ میں اس فائنٹشل سال کے متعلق انٹرنل اکاؤنٹنگ اور 39 روڈ کے مطابق تفصیلات پیش کی گئی ہیں۔

بورڈ بورڈ آف ڈائریکٹرز کے فیصلہ کے مطابق اس مالی سال میں املاک (پراپرٹیز) پلانٹ اور ایکویپمنٹ ریویلو کیا گیا ہے۔ آڈیٹرز کی آبروروشن کو مدنظر رکھتے ہوئے جو کہ انہوں نے اپنی رپورٹ کی پیرا (a) میں بتائی ہے۔ تشریح کی جاتی ہے کہ میٹر میں بے یقینی اور شک و شبہات کہ کمپنی نے کام کاج بند رکھنے کی وجوہات بے بسی کی وجہ سے ہو حالانکہ بورڈ (Board) نے حتیٰ الحمد و اور جانفشانی کے جا وجود ان حالات پر قابو پانہیں سکی۔ مزید برآں مختلف اوقات میں بورڈ نے اپنا سرمایہ بھی لگایا تاکہ کمپنی کام شروع کر سکے تاکہ آئندہ اور اس وقت کمپنی میں سرمایہ کاری کی ہوئی رقم فائدہ مند ثابت ہو سکے۔

کمپنی انتظامیہ نے اکاؤنٹنگ، IFRS، IAS، کمپنی آرڈیننس کے تمام معاملات کو مدنظر رکھا ہے حالانکہ یہ کمپنی مسلسل کام کاج نہیں کر سکی ہے۔ اس کا تمام قصہ آڈیٹڈ اکاؤنٹس اور IFRS، IAS، اور کمپنی آرڈیننس کے مختلف شکلوں کی روشنی میں پیش کیا جا چکا ہے تاکہ ان تمام قانونی معاملات میں کوئی بھی ابھام نہ ہو اور تمام تفصیلات پوری طرح نظر عام پر ہیں۔

افراد قوت کو بڑھانے کا عمل:

ہم نے اپنے تمام ملازمین کی ہمت افزائی، تربیت اور اخلاقی مضبوطی کو قائم کرنے میں مسلسل جدوجہد جاری رکھی ہے۔ تاکہ تمام ملازمین مارکیٹ کی ضروریات کے مطابق عمل

## LANDMARK SPINNING INDUSTRIES LIMITED

درآمد کر سکیں۔ اس سلسلہ میں تمام ملازمین کی بہتر تربیت دی اور دلائی گئی ہے مختلف شعبوں کے اعلیٰ عہدیداروں نے نچلے درجے کے افسران وغیرہ کی تربیت کا عمل جاری و ساری رکھا ہے۔

کارپوریٹ سوشل ذمہ داری:

لینڈ مارک اسپننگ انڈسٹریز لمیٹڈ نے ایک ذمہ دار کارپوریٹ حیثیت کو قائم رکھنے ہوئے اپنی ذمہ داری کو بخوبی نبھایا ہے۔ اس سلسلہ میں تمام اخراجات کے مد میں کم سے کم خرچ کرنے کی بھرپور کوشش جاری رکھی ہوئی ہے۔ بجلی کی بچت، ماحول کی صفائی، دفتر و عملے کی صفائی، صحت وغیرہ کو ترجیح اول رکھا گیا ہے۔ مثلاً تمباکو نوشی کے قوانین کی پابندی۔ وغیرہ تاکہ تمام ماحول بہتر سے بہتر رکھا جائے۔ ان تمام ضروری عملی و حفاظتی انتظامات کے بغیر کمپنی نے غریب لوگوں میں فی سبیل اللہ میں 00 لاکھ تقسیم کئے ہیں۔ بیرونی آڈٹ:

میسرز فیروز شریف طارق اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس و آڈیٹرز سالانہ جنرل میٹنگ کے بعد رٹائر ہو رہے ہیں۔ کیونکہ وہ دوبارہ اس منصب کے مجاز ہیں لہذا انہوں نے دوبارہ منصب سنبھالنے کی درخواست کی ہے۔ بورڈ نے آڈٹ کمیٹی کی سفارشات کی روشنی میں ان کی دوبارہ مقرر کرنے کا مشورہ دیا ہے۔

اندرونی آڈٹ:

کمپنی کا بورڈ اندرونی آڈٹ ڈپارٹمنٹ کے اوپر پوری طرح نظر رکھے ہوئے ہے اور تمام کام بورڈ کی اجازت جاری ہیں اندرونی آڈٹ ڈپارٹمنٹ کی ذمہ داری ہے کہ وہ بورڈ کی ہر چھوٹے بڑے عمل میں بورڈ کے زیر نظر امور انجام دہی ہو۔ جو کہ بخوبی ہو رہا ہے موجودہ انتظامات ٹھیک ہیں اور مناسب طریقے سے رول عمل ہیں یہ ڈپارٹمنٹ بورڈ کی مسلسل تجاویز و مشورے یا سفارشات پیش کرتا رہا ہے اور اپنا تمام کام خوش اسلوبی سے انجام دے رہا ہے۔

کارپوریٹ اور مالی رپورٹنگ کا سلسلہ اور تفصیل:

بورڈ آف ڈائریکٹرز کا تمام امور کی بجا آوری کارپوریٹ قوانین، رولز، اور عمل درآمد کے اصولوں کے مطابق ہیں اس سلسلہ میں بورڈ ان تمام قانونی لوازمات سے بخوبی واقف ہے۔ حکومت کے نافذ کردہ تمام قانونی اور متعلقہ احکامات کی روشنی میں بورڈ عملدرآمد کر رہی ہے جیسا کہ سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹاک ایکسچینج وغیرہ نے تمام لمیٹڈ کمپنیوں کے لئے مقرر کیے ہوئے ہیں اس سلسلہ میں بورڈ واضح کرتا ہے کہ:

۱۔ کمپنی کی تیار کردہ فائنیشل اسٹیٹمنٹ میں کمپنی کے تمام معمولات، کام کاج کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیاں وغیرہ۔

۲۔ کمپنی آرڈیننس 1984 کے تحت تمام بکس آف اکاؤنٹ پوری طرح قائم رکھے ہیں۔

۳۔ مختلف اکاؤنٹنگ پالیسیوں کی پوری طرح نافذ کیا گیا ہے۔ جن کی روح کے مطابق تمام فائنیشل اسٹیٹمنٹس ان میں اگر کوئی تبدیلی وغیرہ کو کھول بیان کیا گیا ہے اور تمام مالی حساب کتاب بشمول فائنیشل اسٹیٹمنٹس یا ان میں کوئی تبدیلی وغیرہ

۴۔ پاکستان میں موجود تمام اکاؤنٹنگ اور رٹس کو نافذ کیا گیا ہے اور پوری طرح درج کیا گیا ہے۔

۵۔ اندرونی کنٹرول کے تمام قانونی لوازمات کو مدنظر رکھتے ہوئے تمام امور کی انجام دیا گیا ہے۔ ایسے تمام بند و دست کئے گئے ہیں جن کی رو سے کسی قسم کی غیر مناسب عمل کو سرے سے روکا گیا ہے تاکہ کوئی بھی نقصان دہ عمل عمل میں نہ آسکے۔

اس سلسلہ کو مضبوطی سے عمل میں لانے کے لئے ایک بورڈ آڈٹ کمیٹی مقرر کی گئی ہے۔ یہ کمیٹی انٹرنل آڈٹ کو ایکسٹرنل آڈٹ کے طابع رکھے ہوئے ہیں لہذا کسی بھی چھوٹی سے چھوٹی غلطی کا استعمال نہ ہو۔ ایکسٹرنل آڈٹ اور انٹرنل آڈٹ کے سفارشات کی رو سے یہ کمیٹی تمام چھوٹے بڑے امور کو بخوبی سرانجام ہونے پر نظر رکھے ہوئے ہے۔ اس کمیٹی

میں 3 ممبرز ہیں جس کا چیئر مین ایک انڈیپنڈنٹ ڈائریکٹر ہے باقی دو ممبران ایگزیکٹو ڈائریکٹر ہیں۔ سال 2017 میں اس کمیٹی 4 میٹنگز ہوئی جو ششماہی تھیں۔ ان میٹنگز میں حاضری درج ذیل ہیں:-

۱۔ مسٹر انور علی (چیئر مین) ایک میٹنگ میں شریک ہوئے

۲۔ مسٹر عبداللہ اے ہاشوانی چار میٹنگز میں شریک ہوئے

۶۔ ریلینڈ پارٹنرز کے تمام لین دین کا حساب وغیرہ بورڈ کی منظوری کے ساتھ کیا گیا ہے۔

## LANDMARK SPINNING INDUSTRIES LIMITED

- ۷۔ تمام اہم فیصلے جو کہ انوسٹمنٹ / ڈس انوسٹمنٹ، یا CE میں تبدیلی وغیرہ بورڈ کی منظوری سے کی جاتی ہیں۔
- ۸۔ بورڈ تمام اہم فیصلے مثلاً CEO، CFO، کمپنی سیکریٹری یا انٹرنل آڈٹ ڈپارٹمنٹ کا ہیڈ اور تنخواہ و مراعات میں تبدیلی وغیرہ کرتی ہے۔
- ۹۔ آڈٹ اور ٹیکس وغیرہ فائنیشنل اسٹیٹمنٹ میں درج کی گئی ہیں۔
- بورڈ آف ڈائریکٹرز:

بورڈ آف ڈائریکٹرز میں 7 (سات) ممبرز ہیں جن میں 5 (پانچ) نان ایگزیکٹو ڈائریکٹرز ہیں اور دو (2) انڈیپنڈنٹ ڈائریکٹرز ہیں (ایک ایگزیکٹو ڈائریکٹر IMD اور چیرمین) ہوتا ہے۔

اس سال (2017) میں کل 4 (چار) میٹنگز ہوئی ہیں ان میں شمولیت کا ذکر مندرجہ ذیل ہے:-

۳۔ مسز شاہرینا ہاشوانی چار میٹنگز میں شریک ہوئیں۔

۴۔ مسٹر نظام اے ہاشوانی تین میٹنگز میں شریک ہوئے۔

جو ممبر صاحبان میٹنگ اینڈ نہ کر سکے تھے ان کو چھٹی کی اجازت دی گئی تھی

۔ تمام امور کو بخوبی انجام دینے کے لئے ایک نظام واضح کیا گیا ہے تاکہ کمپنی کے تمام معاملات مضبوطی سے چلائے جائیں اور ہر طبقہ کو ذمہ داری اور اتھارٹی دی گئی ہے اور ان پر بورڈ کی مسلسل نظر رہتی ہے

۔ سالانہ بجٹ کی پلاننگ اور اخراجات وغیرہ کی نگہداشت کا موثر نظام رو بہ عمل ہے مالی انتظامات اور آئندہ کے امور اور حکمت عملی پر ہر سال ہر وقت نظر رکھی جاتی ہے اور

مناسب تبدیلیاں کی جاتی ہیں۔ یہ ایک مسلسل عمل رہتا ہے۔

۶۔ کمپنی کے تمام امور میں کوئی شک و شبہ کی گنجائش نہیں ہے۔

۷۔ کمپنی اس ذمہ داری کا پورا پورا احساس رکھتی ہے کہ سرمایہ کی سنبھال و دیکھ بھال انتہائی ضروری عمل ہے لہذا امر وجہ اصولوں سے کوئی انحراف نہیں ہوا۔

۸۔ حکومت کے تمام قوانین و احکامات کا باقاعدہ احترام کیا گیا ہے اور کسی کی بھی نافرمانی نہیں کی گئی ہے۔

۹۔ اس رپورٹ کے ساتھ گزشتہ چھ (6) سالوں کا مالی حساب منسلک ہے۔

ڈائریکٹر کا نام	کل میٹنگز	میٹنگز اینڈ کی گئی
مسٹر نظام اے ہاشوانی (چیرمین)	4	4
امین اے ہاشوانی (CEO & MD)	4	4
عبداللہ اے ہاشوانی	4	4
سید رضا عباس جعفری	4	4
مسز سلطانہ اے ہاشوانی	4	4
مسز فریجا اے ہاشوانی	3	3
مسز شاہرینا اے ہاشوانی	4	4
مسٹر انور علی	1	1

مندرجہ بالا ممبرز کو دوبارہ ایک ٹرم کے لئے چنا گیا تھا جو کہ عرصہ تین سال کے تھا اور 27 اکتوبر 2016 کو نافذ تھا۔ اس کے ساتھ CEO کو بھی دوبارہ مقرر کیا گیا تھا عرصہ مقرر تین سال کا تھا۔ یہ تقرری 131 اکتوبر 2016 سے نافذ العمل ہے۔

۔ بورڈ مسز فریجا اے ہاشوانی کی ری کنکشن کو قبول کیا جو کہ 27 فروری 2017 سے نافذ العمل تھی۔

اس ویکنسی کو پورا کرنے کے لئے بورڈ نے مسٹر انور علی انڈیپنڈنٹ ڈائریکٹر کی 27 فروری 2017 سے ڈائریکٹر مقرر کیا تھا جو تا نوئی 90 دن کے اندر عمل کرنے کے مطابق

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ہے بورڈ نے میٹنگز غیر حاضر رہنے کے لئے ڈائریکٹرز کو چھٹی منظور کی۔

بورڈ نے خود احتسابی اور بہتر کارکردگی کے لئے ایک طریقہ کار مقرر کیا ہے جس کی رو سے ایک سوانامہ منظور کیا گیا ہے اس طرح بورڈ کی مجموعی کارکردگی میں بہتری ہوئی ہے

اور یہ عمل خود احتسابی میں معاون ثابت ہوا ہے۔

مزید یہ عمل ہر سال دہرایا جاتا ہے۔

بورڈ کی ذیلی کمیٹی کی میٹنگز

بورڈ نے مضبوط کنٹرول اور بہتر عمل درآمد کے لئے ذیلی کمیٹیاں مقرر کی ہیں۔

ہیومن ریسورسز اینڈ ریویویشن کمیٹی سال 2017 کے دوران اس کمیٹی کی ایک میٹنگ ہوئی ہے جس میں شمولیت درج ذیل ہے:-

مسٹر انور علی (چیرمین) 0

مسٹر عبداللہ اے ہاشوانی 1

مسٹر فریح اے ہاشوانی 1

مسٹر شاہینا اے ہاشوانی 1

شیر ہولڈنگ پیئرن

کمپنی ایکٹ 1984 کی شق 234 کے تحت شیر ہولڈنگ پیئرن سال 2017، جون 30 کے لئے اس اسٹیٹمنٹ کے ساتھ منسلک ہے۔

کمپنی کے شیرز کی ٹریڈنگ

اس مدین کوئی بھی ٹریڈنگ عمل پذیر نہیں ہوئی ہے کمپنی کے کسی بھی ڈائریکٹر، CEO، یا ایگزیکٹو بیوزیاں کی زوجہ/شوہر یا معصوم و نابالغ بچوں کی طرف سے کوئی ٹریڈنگ

نہیں ہوئی ہے۔

کوڈ آف کنڈکٹ

تمام کوڈ آف کنڈکٹ کی پوری طابعداری کی جن کا ثبوت سب سے لیا گیا ہے۔

ڈائریکٹرز ٹریڈنگ پروگرام

بورڈ کے 4 ڈائریکٹرز مسٹر امین اے ہاشوانی، مسٹر نظام اے ہاشوانی اور مسز سلطانہ اے ہاشوانی کی ٹریڈنگ پروگرام سے مستثنیٰ ہیں۔ باقی ماندہ

ڈائریکٹرز ٹریڈنگ پروگرام کے تمام ضروریات کو پورا کرینگے جو کہ مقررہ مدت کے اندر ہوگا۔

30 جون 2017 تک کمپنی نے ڈائریکٹرز کے اور ہئیکٹیشن کا انتظام کیا جو کہ حکومت کے احکامات کے مطابق ہے اور کمپنی کے تمام کاروبار اور ان کی بہتر کارگزاری کے لئے اہم

ہیں اور تمام شیر ہولڈرز کے حقوق کے لئے بھی ضروری ہیں۔ حکومتی احکامات کی طور پر پاسداری کی گئی ہے۔

ایپلائمنٹ کے تعلقات:

سال 2017 کے دوران تمام عملے نے کمپنی کی تمام انتظامی ضروریات کو احسن طریقہ سے سرانجام دیا ہے جس کے لئے کمپنی ان سب کا شکریہ ادا کرتی ہے

فیوچر پلان / گروتھ

کیونکہ اس وقت GAS اور انرجی کی قیمتیں کم ہیں لہذا جیسے بھی حکومت ان قیمتوں کو مہیا کرے گی تو کمپنی کی بھرپور طریقے سے فعال کیا جائیگا۔ امید ہے کہ O&E

سال یہ بندوبست ہو جائیگا و ندر انڈسٹریل اسٹیٹ میں حکومت یہ قیمتیں دینے کے لئے کوشش کر رہی ہے

اس کے بعد موجودہ نقصانات ختم ہو سکیں گے اور کمپنی کے تمام امور فائدہ مند طریقہ پر گامزن ہوں گے۔ نتیجتاً تمام شیر ہولڈرز کو مناسب معاوضہ ملیگا۔

بورڈ اپنی کمپنی کے تمام کاروباری معاونین، پارٹنرز اور دوسرے متعلقہ حضرات کو بھرپور تعاون کی تعریف کرتی ہے اور اسی طرح سیکورٹی اینڈ ایچ ایچ کمیٹی آف پاکستان، اسٹاک

ایچ ایچ آف پاکستان اور سینٹرل ڈپارٹمنٹ کی کمپنی کی رہنمائی اور مدد کا ادراک کرتے ہوئے کمپنی ان سب کی مشکور و ممنون ہے۔

بورڈ آف ڈائریکٹرز

کراچی

تاریخ 05 اکتوبر 2017

امین اے ہاشوانی

چیف ایگزیکٹو آفیسر